Defence agreement with Indonesia

2850. SHRIMATI N.R DURGA : Will the Minister of DEFENCE be pleased to state:

(a) whether India had signed a defence agreement with Indonesia last year;

(b) whether as per the terms of the agreement, India would supply spare parts and other equipment for Indonesian armed forces;

(c) whether it is a fact that the Bharat Electronics Ltd., (BEL) has failed to provide spares for Indonesia radar system causing embarrassment to India; and

(d) the action taken to resolve the problems in this regard?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) Yes, Sir. India and Indonesia signed an Agreement for Defence Cooperation in January 2001.

(b) The Agreement, *inter-alia,* provides for promoting co-operation between the defece industries of the two countries in the areas of mutual interest, including product support.

(c) and (d) Bharat Electronics Limited had made a commitment to Indonesia to supply spares and components of TRS 2215 Radar, which was originally supplied to them by M/s. Thomson CSF (now Thales Air Defence Systems). This was on the basis of the fact that BEL had earlier obtained approval for the manufacture of this equipment under Transfer of Technology from the Original Equipment Manufacturers and also obtained permission to export these Radar Systems to Indonesia. The original Equipment Manufacturer has now informed BEL that due to the changes in procedure, BEL has to obtain necessary authorisation for export. BEL has taken up the clearance issue at the highest level with Thales Air Defence Systems, for confirming export offer to Indonesia for supply of the Radar spares.